



Attorney Docket No. 213839-00013

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PATENT
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12/2003
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of: McCafferty, *et al.*
Serial No.: 09/726,219
Filed: November 28, 2000
Title: Methods for Producing
Members of Specific Binding
Pairs
Group Art Unit: 1627
Examiner: P. Ponnaluri

CERTIFICATE OF MAILING

I hereby certify that this paper is being deposited with the
United States Postal Service as first class mail in an
envelope addressed to: Mail Stop DD, Commissioner for
Patents, Alexandria, VA 22313-1450, on this date.

05/05/03

Date

David W. Clough, Ph.D.
Registration No. 36,107

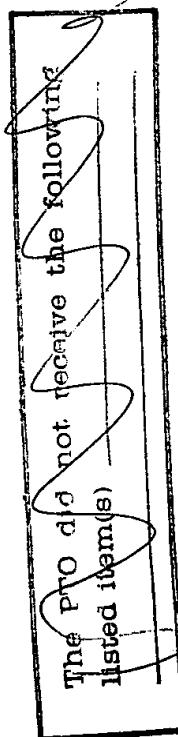
**FIRST SUPPLEMENTAL INFORMATION DISCLOSURE STATEMENT
PURSUANT TO 37 C.F.R. § 1.97-1.99
FILED WITH PETITION TO EXPUNGE
PURSUANT TO 37 C.F.R. § 1.59**

Mail Stop DD
Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Dear Sir:

This Information Disclosure Statement is being submitted pursuant to the applicants' duty of candor and in particular to the applicants' duty to disclose, under MPEP §2001.06(c), information from related litigation such as the charges of inequitable conduct in the parent of the present application, now U.S. Patent No. 5,969,108 (the '108 patent). Applicants request that the documents listed on the attached Form PTO/SB/08A be made of official record in the above-identified application and considered by the Examiner. Our check in the amount of \$180 is also enclosed pursuant to 37 C.F.R. § 1.17(p).

Some of the documents being submitted are subject to a protective order in Civil Action No. 1:00 CV 00146 and are being submitted in a sealed, clearly labeled envelope for consideration under MPEP § 724. A Petition to Expunge under 37 C.F.R. § 1.59, along with



the fee of \$130 pursuant to 37 C.F.R. § 1.17(h) are also enclosed herewith. If the submitted documents are found not to be important in deciding whether to allow the application to issue as a patent, applicants respectfully request that the Petition to Expunge under 37 C.F.R. § 1.59 be granted and the documents identified below be returned to the attorney for applicant.

1. Agreement between Medical Research Council, Cambridge Antibody Technology Limited and Cambridge Antibody Technology Group plc, dated 1/7/97 (financial terms redacted);
2. Chiswell memo, dated July 30, 1990, transmitting a copy of the Collaborative Agreement between Cambridge Antibody Technology and The Medical Research Council, dated July 27, 1995; and
3. Administration Agreement between Cambridge Antibody Technology Ltd. and Medical Research Council, 8/1/91 (financial terms redacted).

This same Supplemental Information Disclosure Statement is being filed simultaneously in related application nos. 09/196,522; 09/196,673; 09/309,639; 09/416,902; 09/196,586; 09/417,479; 09/706,507; and 09/726,219. Each of these related applications is currently under examination by Examiner Ponnaluri. In view of the filing of the Petition to Expunge, applicants are transmitting a single copy of the cited references for consideration in each of the related applications.

**Inequitable Conduct Allegations Involving
U.S. Patent No. 5,969,108 (parent of the present application)**

The following is a brief summary of the allegations being made by MorphoSys AG with respect to inequitable conduct in obtaining the '108 patent. MorphoSys has alleged inequitable conduct on the part of Cambridge Antibody Technology Limited, ("CAT"), one of the assignees of the '108 patent, in obtaining the '108 patent. The subject matter claimed in the '108 patent generally relates to the display of single chain antibodies on the surface of filamentous bacteriophage.

One of the bases for the allegation of inequitable conduct is that the applicants did not disclose to the U.S. Patent & Trademark Office a National Institute's of Health ("NIH") grant application by Dr. George Smith relating to the display of small peptides on the surface of phage and which contains a prophetic disclosure of the display of single chain antibodies on the surface of phage which Dr. Smith characterized as speculative in the text of the grant.

Documents (including deposition testimony) submitted herewith relate *inter alia* to the specific allegations made by MorphoSys with regard to this issue, including communications between CAT personnel and their attorneys relating to their knowledge of the existence and public availability of the Smith grant application, and the allegedly cumulative nature of the application in view of what was already before the Patent Office and Dr. Smith's own characterization of what would constitute the invention of the display of single chain antibodies on phage made in a "Declaration" several years after his receipt of the NIH grant.

There is disagreement between CAT and MorphoSys regarding *inter alia* the actual public availability of a Smith grant application, its alleged cumulative and speculative nature in view of material already before the U.S. Patent & Trademark Office and the problems cited by Dr. Smith in his discussion of the display of single chain antibodies on phage in the grant application.

An allegation has also been made that CAT engaged in inequitable conduct by not disclosing to the Patent Office the Smith grant application as relevant to rebut arguments made to the PTO that the art taught away from the display of large peptides on the surface of phage. Nevertheless, the Examiner of the '108 case found that the applicants' arguments regarding that issue had already been rebutted by U.S. Patent No. 5,427,908 to Dower *et al.*, which was already of record in that case and is of record in the present application.

MorphoSys has further alleged that CAT has committed inequitable conduct for their alleged failure to point out the inventor and invention date of each claim that was not commonly owned by CAT and The Medical Research Council ("MRC"), both assignees of the '108 patent, at the time a later invention was made to allow consideration of the applicability of 35 U.S.C. §102(f) or (g) prior art under 35 U.S.C. § 103(a). MorphoSys alleges that CAT has failed to show that the subject matter and the claims were, at the time the invention was made, commonly owned. CAT's position supported by deposition testimony (attached herewith) is that there was a clear understanding that the subject matter of each and every claim was commonly owned at all times and the later written agreements submitted herewith simply memorialized the basic understanding between CAT and MRC.

The following documents are being submitted herewith which were recently filed, held or are relevant to the litigation involving the parent of this application in the U.S.

District Court District of Columbia (U.S. District Court, District of Columbia, Civil Action No. 1:00 CV 00146).

1. First Amended Complaint, filed March 8, 2002;
2. Cambridge Antibody Technology Limited's Answer to First Amended Complaint, filed March 22, 2002;
3. Redacted Agreement between Medical Research Council, Cambridge Antibody Technology Limited and Cambridge Antibody Technology Group plc, dated 1/7/97 (**Subject to the Petition to Expunge**);
4. Deposition Transcript of David W. Clough, taken April 19, 2002;
 - a. E. I. du Pont de Nemours & Co. v. Cetus Corp. 19 USPQ2d 1174, (DC D/ N.Cal. 1990) cited in Deposition Transcript of David W. Clough, taken April 19, 2002;
 - b. OddzOn Products Inc. v. Just Toys Inc., 43 USPQ2d 1641 (CAFC 1997), cited in Deposition Transcript of David W. Clough, taken April 19, 2002;
5. Deposition Transcript of George P. Smith, Ph.D., taken May 14, 2002;
6. Deposition Transcript of Dr. David Chiswell, taken April 29, 2002;
7. Deposition Transcript of Dr. Gregory Paul Winter, taken April 30, 2002;
8. Volume I – Deposition Transcript of Sean Malcolm Walton, taken May 1, 2002;
9. Volume II – Deposition Transcript of Sean Malcolm Walton, taken May 2, 2002;
10. Chiswell memo, dated July 30, 1990, transmitting a copy of the Collaborative Agreement between Cambridge Antibody Technology and The Medical Research Council, dated July 27, 1995 (**Subject to the Petition to Expunge**);
11. Declaration of George P. Smith Under 37 C.F.R. § 1.132, executed June 30, 1995 (submitted during the prosecution of U.S. Application No. 08/322,352);

12. Declaration of Professor Brian K. Kay, Ph.D., executed June 28, 1998 (submitted during the prosecution of European Patent Application No. 91913039.3);
13. Abstract of George P. Smith Grant No. 1R01GM41478-01A1.
14. Smith Grant Application, dated November 1, 1988; and
15. Administration Agreement between Cambridge Antibody Technology Ltd. and Medical Research Council, 8/1/91 (**Subject to the Petition to Expunge**).
16. Fax from John McCafferty (of Cambridge Antibody Technology Limited) to S. Walton (of Mewburn Ellis) Re: Smith Grant Application.
17. E-mail message from John McCafferty (of Cambridge Antibody Technology Limited) to Brian Kay Re: Smith Grant Application.
18. Letter from John McCafferty (of Cambridge Antibody Technology Limited) to Craig Palmer (of Academic Press) Re: Smith Grant Application.
19. Fax to John McCafferty (of Cambridge Antibody Technology Limited) from Craig Panner (of Academic Press) dated June 10, 1996.
20. Smith, G. P., "1988 – A Year of Discovery", *Phage Display of Peptides and Proteins*, Academic Press, Inc. (1996), pp. xvii-xix.
21. Northern Telecom Inc. v. Datapoint Corp., 15 USPQ 1321 (CAFC 1990).

Documents 1-12 and 15 are individually listed below with cites to the relevant testimony.

First Amended Complaint, filed March 8, 2002

Page	Line	
6	1	Allegations regarding Smith grant/
thru		inequitable conduct
21	12	

**Cambridge Antibody Technology Limited's
Answer to First Amended Complaint, filed March 22, 2002**

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7	8	Response to allegations regarding Smith grant/
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Deposition Transcript of David W. Clough, taken April 19, 2002

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21	10	Testimony regarding Smith grant
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55	22	
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66	14;	
68	10	
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108 13-22;
109 14-20
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112 3;
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125 1
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152 7;
153 10
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154 14;
155 14
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156 9;
176 8-24

105 13 Testimony regarding '96 knowledge of Smith grant
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176 18 Testimony regarding DuPont v. Cetus
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179 14-15 Testimony regarding Oddzn Products v. Just Toys Inc.

Deposition Transcript of George P. Smith, Ph.D., taken May 14, 2002

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31	8	Testimony regarding Smith grant
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	thru	
53	25;	
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	thru	
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64	5	
	thru	
65	25;	
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Deposition Transcript of George P. Smith, Ph.D., taken May 14, 2002

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166	10	Testimony regarding Smith grant
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Deposition Transcript of Dr. David Chiswell, taken April 29, 2002

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119	23	Testimony regarding Smith grant
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	thru	
129	5;	
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37	2	Testimony regarding Chiswell memo
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66	4;	
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None		Testimony regarding '96 knowledge of Smith grant

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157	7	Testimony regarding common ownership
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Deposition Transcript of Dr. Gregory Paul Winter, taken April 30, 2002

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123	11-14;	Testimony regarding Smith grant
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None		Testimony regarding '96 knowledge of Smith grant
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74	1	Testimony regarding common ownership
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222	3	Testimony regarding common ownership
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Deposition Transcript of Sean Malcolm Walton, taken May 2, 2002

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16	8	Testimony regarding Smith grant
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93	25	Testimony regarding Smith grant:
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96	4;	
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106	21;	
108	14	
	thru	
109	23;	
110	12	
	thru	
111	1;	
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Volume I

Deposition Transcript of Sean Malcolm Walton, taken May 1, 2002

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249	23	Testimony regarding Smith grant:
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257	22;	
267	5	
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268	18;	
270	21	
	thru	
277	22;	
285	2	
	thru	
289	19;	
321	24	
	thru	
322	13;	
322	18-23;	
323	5	
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328	11	

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82	17	Testimony regarding '96 knowledge of Smith grant:
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90	8;	
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	thru	
96	4;	
97	19	
	thru	
101	5;	
103	3	
	thru	
106	21;	
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	thru	
111	1;	

Volume I
Deposition Transcript of Sean Malcolm Walton, taken May 1, 2002
Volume II
Deposition Transcript of Sean Malcolm Walton, taken May 2, 2002
(Continued)

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133	15	Testimony regarding '96 knowledge of Smith grant:
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140	25;	
205	5	
	thru	
208	23;	
271	19	
	thru	
277	22;	
285	2	
	thru	
289	19; and	
321	24	
	thru	
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179	22	Testimony regarding common ownership:
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184	17;	
186	16	
	thru	
191	8;	
192	22	
	thru	
195	19	

**Chiswell memo, dated July 30, 1990,
(transmitting a copy of the Collaborative Agreement between Cambridge Antibody
Technology and The Medical Research Council, dated July 27, 1995)
(Subject to Petition to Expunge)**

Declaration of George P. Smith Under 37 C.F.R. § 1.132

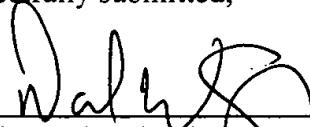
Page	Line
2	7-9; Inequitable conduct
4	3-9

Finally, attorney for applicants submit herewith a reference (Il'ichev, A.A., *et al.*, "M13 Filamentous Bacteriophage in Protein Engineering", *Molekulyarnaya Biologiya*, Vol. 24, No. 2, pp. 530-535, (March-April 1990)(two versions – one in Russian (with a one-page abstract) and a translation of the same reference) and a patent which were recently brought to applicants' attention.

In addition, a copy of the references cited made necessary by ongoing proceedings in the European Patent Office in connection with a relative European application, which were brought to our attention less than three months prior to the filing of this Information Disclosure Statement.

The Commissioner is hereby authorized to charge any additional fees which may be required in this application under 37 C.F.R. §§1.16-1.17 during its entire pendency, or credit any overpayment, to Deposit Account No. 50-1214. Should no proper payment be enclosed herewith, as by a check being in the wrong amount, unsigned, post-dated, otherwise improper or informal or even entirely missing, the Commissioner is authorized to charge the unpaid amount to Deposit Account No. 50-1214.

Respectfully submitted,



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May 5, 2003
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